

Minutes of the Parrett Board Policy, Finance & Governance Sub Committee Meeting held at Bradbury House, 33-34 Market Street, Highbridge on Tuesday 06 June 2017 at 2.15 pm.

Chairman: Mr C Passmore

The Chairman welcomed members to the meeting and asked for a minutes silence in remembrance of Derek Mead who had recently passed away as well as for victims of the recent Manchester and London attacks.

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| 1 | Attendance and Apologies: as per register appended. W Barnard, R Horsington and S Gee. | Action |
| 2 | Items additional to the agenda: N Stevens (NWS) SRA work | |
| 3 | Declarations of Interest: none at this time. Concern was expressed for member's interests to be declared at the forthcoming tender meeting as all elected members will have land in the district. NWS advised that members could create policy and procedure in-line with regulations to allow officers to assess and award contracts.
Members decide what level of interest they have to allow discussion to move forward i.e. personal or pecuniary, and to be mindful of transparency and public perception. | |
| 4 | Salaries Sub-Committee update: NWS advised the SDBC Salaries Committee considered both Axe Brue and Parrett employees and awarded a cost of living increase of 0.5% to bring the Board in-line with Somerset County Council; approx. increase to budget £6,000.
Requests to the Board for grade and incremental increases were awarded; approx. increase to budget of £13,000. | |
| 5 | Policy & Strategy:
Ref 1 - To consider, monitor, keep under review and make recommendations to the main Board on all financial Board policy documents:
Somerset Rivers Authority – Strategic Grant Agreement with Somerset County Council: the Clerk advised members of the proposal by the SRA to adopt a common grant agreement so that all SRA partners would be working to the same terms and conditions when undertaking works funded by the SRA. A review of the agreement has been conducted by district council lawyers who reached a conclusion with the SCC lawyers on the agreement. Members agreed that further scrutiny is not necessary.
Concern was expressed for LEP funding availability; members requested that availability be extended for one year to ensure funds are available for appropriate projects.
Proposed T Bradford, Seconded J Taylor ‘that the Parrett Policy, Finance & Governance Committee award delegated powers to the Chief Executive to establish if LEP funding can be extended by one year to reduce the risk of works not being completed and request works be conducted via the Somerset Rivers Authority accordingly.’ Vote: unanimous RESOLUTION 1
Ref. 3 – To develop and improve the Board's governance with reference to national guidance.
Ref. 7 - To consider, and report where appropriate, on the financial implications of matters referred to the sub-committee by the Board.
Ref. 9 – To keep under review the Board's Byelaws.
Ref. 10 – To review and monitor the Health and Safety Policy and Procedures.
Ref 11 - To report to the Full Board on items decided under delegated powers. | NWS
RES 1 |
| 6 | Budgets:
Ref. 14 – To monitor and report the performance against budget and to report significant variances to the Board: In the absence of S Gee, members were briefed on the reports by NWS.
Ref. 15 – To consider, on behalf of the Board, any requests for significant variations to the planned operating budget. No comments.
Ref. 16 – To receive and consider the annual accounts and Annual Return of the IDB for recommendation to the Board: (appended) Parrett Annual account for year ending 31 March 2017: The Clerk reminded members that funding into the Boards for SRA was via two routes. SRA staff reimbursement is via the Consortium (SDBC) whereas contracts are paid directly to the relevant Board.
Discussion was held on commuted sums; the Board's standing advice to local authorities proposes the use of commuted sums, however through the planning procedure, local authorities can provide Section 106 Agreements with developers which can fund the construction and maintenance of surface water drainage features. This practice is now less common than the use of Management Companies funded by rent charges on properties with a development. There is however limited control over these companies. It was requested that the Boards' Development Control Officer compiles a paper on the subject for consideration at a future meeting. | SB/
IDS |

Proposed J Lang, Seconded T Bradford ‘that the Parrett Policy, Finance & Governance Committee recommends the Parrett Full Board adopts the Parrett accounts for year ending 31 March 2017.’ Vote: unanimous RESOLUTION 2

RES 2

SDBC accounts for year ending 31 March 2017: members discussed the accounts.

Proposed D Spicer, Seconded Cllr I Dyer ‘that the Parrett Policy, Finance & Governance Committee recommends the Parrett Full Board adopts the Somerset Drainage Board Consortium accounts for year ending 31 March 2017.’ Vote: unanimous RESOLUTION 3

RES 3

Annual Return of the Parrett IDB: Members discussed their responsibility for ensuring that there is a sound system of internal control and preparation of the accounting statements with consideration to eight governance statements.

Proposed J Lang, Seconded D Spicer ‘that the Parrett Policy, Finance & Governance Committee recommends the Parrett Full Board answers ‘Yes’ to the eight governance statements on the Annual Governance Statement and that Section 1 of the Annual Return is approved.’ Vote: unanimous RESOLUTION 4

RES 4

Accounting statements for 2016/17 were discussed and recommended for approval by the Full Board.

Proposed D Spicer, Seconded M Young ‘that the Parrett Policy, Finance & Governance Committee recommends the Parrett Full Board approves Section 2 Accounting Statement 2016/17 of the Annual Return.’ Vote: unanimous RESOLUTION 5

RES 5

Reserves Report: this report highlights funds allocated to schemes and other works which has not yet been spent, approx. £350k. Defra guidance is to hold reserves of 25%-50% expenditure; historically the Board held 1 years’ expenditure.

Members expressed concern that Bourne Leisure has not completed agrees works; it was agreed to discuss this matter at the October P, F&G meeting.

PFG
mtg

Dredging Strategy: TB opined that resources should be available for achieving dredging works on the Parrett and Brue rivers. IDS advised that works such as flood relief and dredging can be delivered through the SRA in partnership with the Environment Agency. TB advised that is critical to go forward with the SRA; Engineering secondment may be available from the Lincolnshire Partnership, it was agreed for NWS to review and contact Peter Bateson at Witham 4th. NWS advised that the Axe Brue has a large programme of works with more local infrastructure around towns and villages than the Parrett.

NWS

7

Governance:

Ref. 23 – To review and recommend to the Board any changes to the Board’s Standing Orders, Guidelines and Financial Regulations:

Governance and Accountability for Local Councils in England 2017 edition

National Audit Office Report on IDBs: This is sector based review of IDBs and the Boards should consider the areas of the report that refer to IDBs themselves and assess whether concerns expressed by the NAO requires action by the Board. Early action by IDBs is important if they wish to maintain their overall independence i.e. the ability to operate without overarching legal governance. The Clerk reported that he has asked SWAP to examine the Board’s activities based on the concerns expressed in their report. An internal audit report will be disseminated accordingly once received.

Governance Review – Draft Report (appended) the report is a discussion document without recommendations at this time. The report includes background information and scenarios for future change including expenditure and representation.

Members concurred that smaller Boards would promote attendance and all aspects of the report are to be considered i.e. representation, amalgamation and boundaries, and suggested a Task & Finish Group be created.

Proposed J Lang, Seconded Cllr B Maitland-Walker ‘that the Parrett Policy, Finance & Governance Committee recommends the Parrett Full Board creates a Task & Finish Group to meet with the Axe Brue IDB of approx. ten members (total) with IDB officers and Sedgemoor District Council leader to discuss governance and future of the IDB’s.’ Vote: unanimous RESOLUTION 6

RES 6

The Chairman congratulated the Clerk on the report.

Code of conduct and Register of Member’s Interests – current procedures (appended) ADA has produced a revised model Code of Conduct (CC) and Register of Member’s Interests (RI) which members compared to the current documents. SDC lawyers will attend the full Board meeting to

provide advice to members on compliance with the documents.
C-A Porter (C-AP) recommended that elected and non-council appointed members complete the revised RI, with assistance from officers where necessary. Plans of land holdings can be produced from the rating system for attachment to the register.
RI will be published on the Board's website, in-line with local authorities.
Council appointed members have RI published on their respective local authority websites which eliminates the necessity to complete the Board's RI.
Members accepted the recommendation to adopt the revised CC subject to legal advice.
Sanctions for non-compliance of CC to be considered, possible Standards Committee, however the Board does not have legislation to sanction. It was agreed that members would discuss the matter out of meeting with officers to enable appropriate consideration at a future meeting.

NWS

Election Timetable (appended) NWS briefed members on the timetable election detailing activities or actions that officers undertake during the election process. This list has been prepared following concerns expressed by the Axe Brue Board that not all activities had been undertaken at the last election that facilitated the allocation of members to committee places. The list allowed members to comment and identify any shortfalls in the procedures.

Ref. 24 – To consider and recommend variations to the electoral areas.

Ref. 26 – To monitor and confirm to the Board that funds are used economically, efficiently and effectively.

Ref. 28 – To monitor the Board's gathering and management of data and the implementation of the Data Protection Act and the Freedom of Information Act.

Ref. 29 – To review and recommend to the Board the Publications Policy relating to the Freedom of Information Act.

8 **Banking:**

Ref. 30 – To consider and recommend the appointment of the IDB's bankers and the investment of reserves, and arrangements for related Fees, Charges and Cash Management and any other matters pertaining to the IDB's banking facilities.

Update of banking arrangements and Direct Debit: Update of Direct Debit collection: C-AP advised that Direct Debit is now operational. All ratepayers received a Direct Debit mandate and prepaid return envelope with their rate demands and first settlement receipt was 2nd June. Members were requested to encourage rate payers to complete the Direct Debit mandates, as this is the most economical method of rate collection. Members requested split payments i.e. monthly payments for rates over £400.

SMG

Proposed J Lang, Seconded M Young 'that a paper is provided detailing Direct Debit operational costs for split payments for the next Parrett Policy, Finance & Governance Committee.' **Vote: unanimous RESOLUTION 7**

RES 7

9 **Delegated Authority:**

Ref. 31 – For the Chairman and Clerk to sign Section 106 planning and other similar agreements.

Ref. 32 – The appointment of the IDB's Internal Auditor and arrangements for related Fees and Charges.

Ref. 33 – Budgetary and Financial Reporting Procedures.

Ref. 34 – Purchasing Policy & Procedures.

Ref. 35 – Insurance Cover.

10 **Risk Management**

Ref. 36 – Risk Management – to keep under review the risks associated with the business of the IDB and make recommendations to the Board with a view to minimising the impact of the identified risks (appended) NWS provided an overview of the Risk Register. A full discussion was held and it was agreed that ADA member training guidance would be distributed accordingly. Members discussed the possibility of undertaking 30 minutes training prior a Board meeting. The report was accepted by members.

NWS

11 **Minutes of the P F & G meeting held on 17 January 2017 and 13 April 2017 (additional meeting):** (appended) having previously been circulated the minutes for 17 January 2017 and 13 April 2017 were signed by the Chairman as a true and correct record of the meetings held.

Proposed J Lang, Seconded Cllr B Maitland-Walker 'that Parrett Policy, Finance & Governance Committee minutes for 17 January 2017 and 13 April 2017 are signed by the Chairman as true and correct records of the meetings held.' **Vote: unanimous RESOLUTION 8**

RES 8

12 **Matters Arising:** None

- 13 Any Other Business: (1)** Why has the Land Drainage Act 1991 not been adhered to regarding meeting attendance? NWS advised that Schedule 1 Part III 8 (2) states that if a member is absent from meetings for more than six months, unless the reason is approved by the board, he shall vacate his office. However the Board historically has not upheld this provision. It was agreed that the Clerk would write to non-attending members for their interest is remaining a member of the Board.
- (2) Pawlett Hams:** IDS advised that tenders returned were above the estimated £250k; lowest tender £271k and highest tender £400k. Some non-compliant tenders were received which were not considered.
- Due to the cost of tenders received it was agreed to invite tenders for boring of the pipe (only), to be returned by 16 June 2017, with civils works to be undertaken by the Board. The pipeline will permit temporary connection; approval has been received from Natural England for the works to proceed. Estimated costs: pipe £150k, civils £50k including ancillary works total estimate for project £250k-£270k. Income received to date approx. £130k providing a shortfall of approx. £130k.
- Up to £210k available favourable conditions grant is held by the Board and may be used to do this work and provide better water level management to Pawlett Hams SSSI as it delivers the same outcomes as favourable conditions i.e. better water level management. We have had detailed discussions with the EA regarding funding which they are supportive of.
- (3) SRA** has requested the IDB to take leadership of work stream W1B – includes maintenance dredging and pioneer dredging and smaller work items. Work stream W1 has previously included development of a flood risk management strategy for Somerset. However this action is likely to be moved to a different work stream. Although members are not supportive of all items within the work stream the general consensus was that the Board should support the proposal.
- Proposed Cllr I Dyer, Seconded T Bradford ‘that the Parrett Policy, Finance & Governance Committee recommends the Full Board approves to take leadership of Somerset Rivers Authority work stream W1B.’ Vote: 7 For (P Maltby, T Bradford, I Dyer, B Maitland-Walker, D Spicer, J Taylor, M Young), 1 Against (J Lang), 0 Abstain; motion carried RESOLUTION 9**
- It was agreed that further details will be provided at the next Full Board meeting.
- (4)** The Consortium Boards will visit Lincolnshire IDBs 11th – 13th July, meeting with Witham Boards to discuss management and operations and Black Sluice IDB to attend a demonstration of a Cutter Suction Silt Dredger. Members were encouraged to confirm attendance for C-AP to facilitate the visit.
- 14 Date of Next Meeting:** Full Board meeting 20 June 2017 and P,F&G 26 September 2017
- There being no other business the Chairman declared the meeting closed at 5.25pm

NWS

RES 9

IDS

C-AP

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CHAIRMAN

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DATE

PARRETT IDB
POLICY, FINANCE AND GOVERNANCE SUB-COMMITTEE
~~ADDITIONAL MEETINGS~~

DATE: TUESDAY 6 JUNE 2017, 14.15HRS

VENUE: BRADBURY HOUSE, 33-34 MARKET STREET, HIGHBRIDGE

Board Member		Mileage <i>Please enter return mileage</i>	PRESENT	APOLOGIES
Peter Maltby	E		<i>P. Maltby</i>	<input checked="" type="checkbox"/>
Tony Bradford	E	12	<i>T. Bradford</i>	
William Barnard	E			<input checked="" type="checkbox"/>
Ian Dyer	A		<i>I. Dyer</i>	
Rebecca Horsington	E			<input checked="" type="checkbox"/>
Stuart Kingham	A			
John Lang	A	22	<i>J. Lang</i>	
Brenda Maitland-Walker	A		<i>B. Maitland-Walker</i>	
Colin Passmore	E	26	<i>C.R. Passmore</i>	
David Spicer	A	24	<i>D. Spicer</i>	
Julian Taylor	A	24	<i>J. Taylor</i>	<input checked="" type="checkbox"/>
James Winslade	E			
Malcolm Young	E	17	<i>M. Young</i>	